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**LISA D. NORDSTROM**  
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June 28, 2013

**VIA HAND DELIVERY**

**NEW CASE**

Jean D. Jewell, Secretary  
Idaho Public Utilities Commission  
472 West Washington Street  
Boise, Idaho 83702

Re: Case No. IPC-E-13-15  
2013 Integrated Resource Plan – Idaho Power Company's Application

Dear Ms. Jewell:

Enclosed for filing in the above matter are an original and seven (7) copies of Idaho Power Company's Application.

Very truly yours,



Lisa D. Nordstrom

LDN:csb  
Enclosures

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BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF IDAHO POWER	)	
COMPANY'S 2013 INTEGRATED	)	CASE NO. IPC-E-13-15
RESOURCE PLAN.	)	
	)	APPLICATION
	)	

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COMES NOW Idaho Power Company ("Idaho Power" or "Company"), and in accordance with Idaho Public Utilities Commission ("IPUC" or "Commission") Order No. 22299, hereby requests that the Commission accept for filing the Company's 2013 Integrated Resource Plan ("IRP" or "Plan"). In support of this request, Idaho Power states as follows:

**I. BACKGROUND**

As required by Commission Order No. 22299 and the Public Utility Commission of Oregon's ("OPUC") Order Nos. 89-507, 07-002, and 12-013, the Company prepares and files a biennial IRP with both the IPUC and the OPUC setting forth how Idaho Power intends to serve the electric requirements of its customers. Idaho Power's 2013

IRP addresses available supply-side and demand-side resource options, planning period load forecasts, potential resource portfolios, a risk analysis, and an action plan that details the steps the Company plans to take to implement the 2013 IRP.

The complete 2013 IRP consists of four separate documents: (1) the 2013 Integrated Resource Plan; (2) Appendix A – Sales and Load Forecast; (3) Appendix B – Demand-Side Management 2012 Annual Report; and (4) Appendix C – Technical Appendix. A copy of the complete 2013 IRP is provided as Attachment 1 and can also be found on the Company's website at [www.idahopower.com](http://www.idahopower.com). Interested persons may also request a printed copy of the 2013 IRP by contacting [irp@idahopower.com](mailto:irp@idahopower.com).

Idaho Power has worked with stakeholders over the last year to develop the 2013 IRP. To incorporate stakeholder and public input, the Company worked with the Integrated Resource Plan Advisory Council ("IRPAC"), comprised of members of the environmental community, major industrial customers, agricultural interests, Idaho state legislators, representatives of the OPUC and IPUC staffs, representatives from the Idaho Office of Energy Resources and the Northwest Power and Conservation Council, and others. The IRPAC meetings were also open to the public and served as an open forum for discussion related to the development of the IRP. The IRPAC and members of the public that attended the meetings made significant contributions to the Plan. A list of the members of the IRPAC is provided as Attachment 2. Idaho Power will schedule public presentations regarding the 2013 IRP at community meetings throughout its Idaho and Oregon service territories later this year once regulatory process schedules are set.

## **II. IRP GOALS AND ASSUMPTIONS**

The primary goals of Idaho Power's 2013 IRP are to: (1) identify sufficient resources to reliably serve the growing demand for energy within Idaho Power's service area throughout the 20-year planning period; (2) ensure the selected resource portfolio balances cost, risk, and environmental concerns; (3) give equal and balanced treatment to both supply-side resources and demand-side measures; and (4) involve the public in the planning process in a meaningful way.

The 2013 IRP assumes that during the 20-year planning period in the IRP (2013-2032), Idaho Power will continue to be responsible for acquiring resources sufficient to serve all of its retail customers in its Idaho and Oregon service territories and will continue to operate as a vertically-integrated electric utility.

The number of customers in Idaho Power's service area is expected to increase from around 500,000 in 2012 to nearly 670,000 by the end of the planning period in 2032. Idaho Power's average load is expected to increase by 21 average megawatts (1.1 percent) annually and summertime peak-hour loads are expected to increase by 55 megawatts ("MW") (1.4 percent) annually through the planning period. Idaho Power continues to use 70<sup>th</sup> percentile water conditions and 70<sup>th</sup> percentile average load for energy planning. For peak-hour capacity planning, Idaho Power uses 90<sup>th</sup> percentile water conditions and 95<sup>th</sup> percentile peak-hour load. The growing population in Idaho Power's service area will require the Company to add physical resources to meet energy demands to use in combination with demand-side measures.

### **III. PREFERRED RESOURCE PORTFOLIO**

In preparing the IRP, Idaho Power performed a Resource Alternatives Analysis where the performance of numerous types of supply-side resources were compared side-by-side in order to identify the best resource types to be analyzed in greater detail. The Company next examined nine resource portfolios for the 20-year planning period that consisted of the resource types identified in the Resource Alternatives Analysis. Two resource portfolios rely on the Boardman to Hemingway (“B2H”) transmission line, connecting Idaho Power to the Pacific Northwest, and the associated market purchases. This transmission line is expected to be substantially complete and operational in 2018. Three resource portfolios explore alternatives to the B2H transmission line to meet future resource needs and four additional resource portfolios explore options for reducing or eliminating existing coal-fired generation from Idaho Power’s resource portfolio and are an extension of the coal study that the Company included with the 2011 IRP Update.

Additionally, Idaho Power’s demand response programs will be used throughout the planning period to meet resource needs; specifically, the Company plans to use up to approximately 150 MW of demand response prior to completion of the B2H line.

The 2013 IRP presented by this Application provides the Company’s estimate of future loads and sets forth how the Company intends to serve the electrical requirements of its native load customers over the next 20 years. While the proposed preferred resource portfolio represents current resource acquisition targets, it is important to note that the actual resource portfolio may differ from the quantities and

types of resources outlined in the IRP depending on the changing needs of Idaho Power and its customers.

#### **IV. EXPANDED IRP ANALYSIS**

In Order No. 32425, the Commission accepted the Company's 2011 IRP. In so doing, the Commission suggested the Company include the following in its 2013 IRP:

- (1) An analysis of the Company's involvement in the Gateway West transmission line;
- (2) An update on the progress of the Company's solar demonstration project;
- (3) An update on the Company's relicensing efforts for the Hells Canyon hydro projects;
- (4) An evaluation of the potential for early retirement of existing coal plants; and
- (5) An analysis of quantifying transmission siting and market price risks.

With respect to the Company's involvement in the Gateway West transmission line, the IRP specifically addresses this on page 79. A discussion of the progress of the Company's solar demonstration project can be found on page 86 of the IRP. The Company provides an update on its relicensing efforts for the Hells Canyon hydroelectric projects on page 12. An evaluation of the Company's existing coal plants, including closure of plants, is discussed on page 98. Qualitative transmission siting issues are addressed on pages 71-81. Further, transmission siting costs are embedded in Table 9.2 on page 98 and are described in the Technical Appendix, Transmission

Cost Assumptions, on page 86. Finally, market price risk is addressed in Figure 9.6 on page 104.

## **V. SERVICE OF PROCESS**

Idaho Power requests that any notices, inquiries, and communications regarding this request be provided to:

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## **VI. REQUEST FOR ACCEPTANCE**

Idaho Power respectfully requests that the Commission issue its order accepting the Company's 2013 IRP and finding that the 2013 IRP meets both the procedural and substantive requirements of Commission Order No. 22299.

DATED at Boise, Idaho, this 28<sup>th</sup> day of June 2013.

  
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LISA D. NORDSTROM  
Attorney for Idaho Power Company



**BEFORE THE**  
**IDAHO PUBLIC UTILITIES COMMISSION**  
**CASE NO. IPC-E-13-15**

**IDAHO POWER COMPANY**

**ATTACHMENT 1**  
**2013 INTEGRATED RESOURCE PLAN**